

**SPEAKER BARRETT:** Senator Schmit, on the Valmont, followed by Senators Landis and Remmers, if they care to speak.

**SENATOR SCHMIT:** Mr. President and members, first of all, I would like to congratulate Valmont upon being able to write a program that would qualify for utilization of these Exxon overcharge funds. I want to make it clear at the outset that I would have preferred the funds had all been used, first of all, for weatherization and improvement of energy utilization of the state owned buildings, facilities, universities, colleges, institutions, et cetera. I think that would have been highly preferable, but notwithstanding the fact that that was not done, we are now at the crossroads where we have to decide whether or not we are going to provide this. I do not really understand what benefits will accrue to the state or to its population from the development of an engine which was designed to burn coal, which can, of course, burn one of the waste products. I have seen the engine. A Mr. Daugherty and his help were good enough to provide me with a very excellent explanation of it. It is an engineering marvel in a way. I guess I find it very difficult, after more than 30 years of activity to develop an ethanol burning project, and 17 years of which have been spent within this Legislature in pursuit of that project, and time after time after time on this floor, and outside of this floor, those of us who would insist that there is a future for ethanol fuels were berated for trying to use what was referred to as taxpayer dollars, even though, in most instances, those dollars were raised from farmers themselves, for the construction of alcohol plants. I was told repeatedly that if it is a beneficial project, if it is a feasible project, private industry will do the work. Now I can understand, and I want to say this, Mr. Daugherty told me they are going to go ahead and try to develop this engine, that these monies will accelerate that development process, and I would suppose that is a very worthwhile goal, if you believe that that is the way to go, and if you believe that that is a desirable benefit to develop that kind of an engine. I want to call your attention to an article that was in this morning's paper that pointed out that Valmont was going to be working with the Russians to develop an irrigation system over there to develop more production in the Soviet Union. I have talked to Mr. Skochdopole. He says that that is not a system which is designed to compete with the agriculture production of this country, or this state, at least, and I have to take his word for that. But I would just like to say that at this time I do not believe that this is a desirable method or system whereby we ought to use those funds. I think